

ANNUAL PLAN

FISCAL YEAR 2010-2011

CALIFORNIA PRISON INDUSTRY AUTHORITY
INVESTING IN REHABILITATION

Adopted by the California Prison Industry Authority Board
on June 29, 2010



Financial Plan



The Financial Plan is CALPIA's estimate of revenues and expenses for the Fiscal Year beginning July 1, 2010. The Plan projects an overall net gain of \$955 thousand.

Revenues (In Thousands)			
	FY 08-09 Actuals Audited	FY 09-10 Mid-Year Revise	FY 10-11 Annual Plan
Manufacturing	\$123,185	\$95,983	\$83,231
Services	\$80,326	\$72,697	\$66,870
Agricultural	\$30,722	\$31,600	\$30,300
Total Revenue	\$234,233	\$200,280	\$180,401
Expenses (In Thousands)			
Cost of Goods Sold			
Manufacturing	\$101,745	\$72,339	\$62,804
Services	\$55,078	\$53,639	\$45,525
Agricultural	\$29,481	\$29,360	\$27,857
Total Cost of Goods Sold	\$186,304	\$155,338	\$136,186
Gross Profit	\$47,929	\$44,942	\$44,215
Selling & Administration (In Thousands)			
Prison Industry Board	\$162	\$167	\$174
Executive Division			
Executive Management	\$1,056	\$276	\$296
Legal/Public Information	\$2	\$713	\$926
Inmate Employability Program	\$464	\$531	\$1,061
Joint Venture/Free Venture	\$439	\$668	\$697
Human Resources	\$1,092	\$978	\$1,031
Staff Development	\$359	\$474	\$673
Operations Division			
Operations Management	\$3,044	\$2,445	\$3,019
Industrial Services Branch	\$2,200	\$2,311	\$2,460
Marketing Division	\$4,060	\$3,474	\$3,772
Administrative Services Division	\$8,657	\$7,871	\$8,306
Career Technical Education Programs (CTE)	\$3,280	\$3,086	\$3,086
Reimbursements			
CTE ¹	(\$3,086)	(\$1,543)	(\$800)
Joint/Free	(\$637)	(\$668)	(\$697)
IEP	\$0	\$0	(\$378)
Total Central Office	\$21,092	\$20,783	\$23,626
Distribution/Transportation	\$13,727	\$13,154	\$12,335
OPEB	\$6,001	\$6,637	\$6,637
Total Selling and Administration	\$40,820	\$40,574	\$42,598
Operating Income/(Loss)	\$7,109	\$4,368	\$1,617
Non-Operating Revenues/Expenses	(\$150)	(\$1,079)	(\$662)
Reserve for Legal Settlements	\$0	(\$593)	\$0
Net Gain/(Loss)	\$6,959	\$2,696	\$955

¹CDCR reimbursement for the CTE programs anticipated to decrease effective FY July 1, 2010

Enterprise Overview



CALPIA projects a gross profit in its enterprises of \$44.2 million in FY 10-11. Although revenues are projected to decrease from \$200.3 million to \$180.4 million, gross profit remains relatively the same. In response to the economy’s continuing instability, CALPIA is reducing its operating costs both in Central Office and its Field operations to the extent possible.

Enterprise	FY 2010-2011 Annual Plan		
	Revenue	Cost of Goods Sold	Gross Profit/ (Loss)
(In Thousands)			
Manufacturing			
Metal Products	\$4,500	\$4,104	\$396
License Plates	10,000	5,170	4,830
General Fabrication (Century Systems)	11,000	9,700	1,300
Bindery	3,500	1,998	1,502
Knitting Mill	1,900	1,028	872
Fabric Products	23,300	16,154	7,146
Shoes	5,250	4,607	643
Mattresses	2,700	1,974	726
Cleaning Products	7,800	4,196	3,604
Modular Construction	5,281	4,487	794
Furniture	8,000	9,386	(1,386)
Sub-total Manufacturing	\$83,231	\$62,804	\$20,427
Services			
Meat Cutting	\$9,450	\$7,686	\$1,764
Bakery	3,300	2,472	828
Coffee Roasting	2,250	1,370	880
Digital Services ¹	350	193	157
Food & Beverage Packaging	15,960	11,592	4,368
Metal Signs	1,070	620	450
Printing	7,100	4,108	2,992
Dental Lab	650	429	221
Laundry	17,000	11,636	5,364
Optical	9,740	5,419	4,321
Sub-total Services	\$66,870	\$45,525	\$21,345
Agricultural			
Dairy/Farm	15,000	13,473	1,527
Crops	1,900	1,806	94
Poultry	6,600	6,506	94
Egg Production	6,800	6,072	728
Sub-total Agricultural	\$30,300	\$27,857	\$2,443
Total	\$180,401	\$136,186	\$44,215

¹ Incorporates California Assistive Technology Enterprise

Inmate Assignments by Enterprise

Enterprise	Average Monthly Filled Assignments		
	FY 08-09 Mid-Year Revise	FY 09-10 Mid-Year Revise	FY 10-11 Annual Plan
Dairy/Farm ¹	271	231	218
Crops	64	64	64
Poultry	111	111	111
Egg Production	96	96	96
Meat Cutting	70	70	70
Bakery	76	76	76
Coffee Roasting	25	40	40
Digital Services ³	42	42	42
Food & Beverage Packaging	155	155	155
Furniture ^{2,4}	805	705	664
Metal Products ²	339	339	333
Metal Signs	30	30	30
License Plates	131	131	131
General Fabrication (Century Systems)	160	160	160
Bindery	140	140	140
Knitting Mill	82	82	82
Fabric Products ⁴	1,575	1,575	1,448
Shoe Factory	223	223	223
Mattress Factory	98	98	98
Printing	124	124	124
Dental Lab	50	50	50
Cleaning Products	50	50	50
Laundry	865	878	878
Optical	409	178	178
Modular Construction	20	40	40
Statewide Administrative Support ⁴	464	459	448
On-Time Delivery	12	12	12
Central Office	46	52	52
Career Technical Education Programs	320	320	320
Total	6,853	6,531	6,333

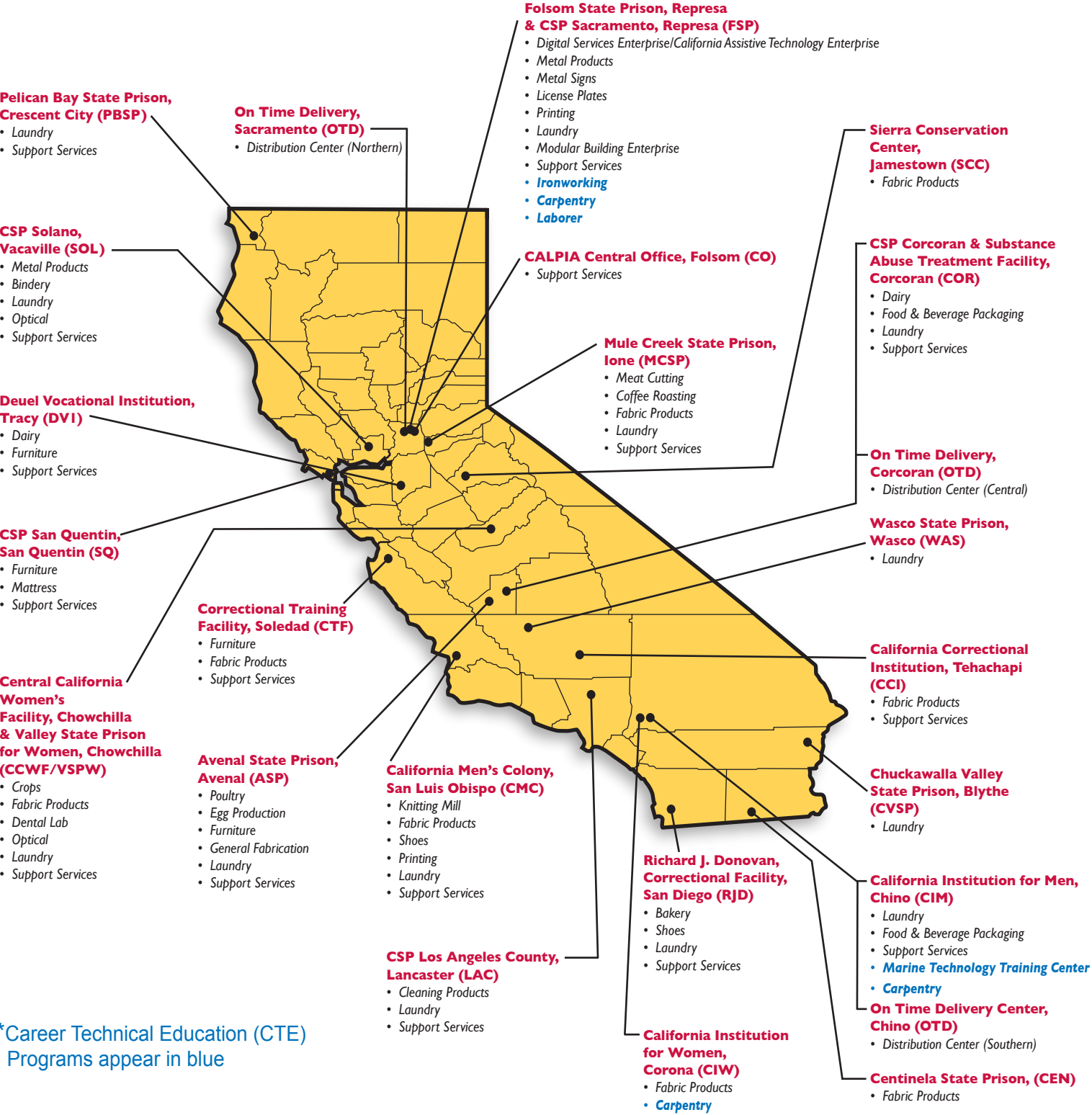
¹ CTF Dairy closure
² FOL Furniture & COR Metal deactivations
³ Incorporates California Assistive Technology Enterprise
⁴ Reductions based on field requests to match actual inmate assignments



CALPIA projects a net decrease of 198 inmate assignments in Fiscal Year 2010-11. The decrease is attributable to deactivation of COR Metal and FOL Furniture, closure of CTF Dairy, and reductions to match actual inmate assignments. CALPIA continues to dedicate efforts towards reducing recidivism in this climate of program cuts driven by the State’s continuing deficit.

CALPIA Enterprises & Career Technical Education Locations (CTE)*

FY 2010-11 Annual Plan



*Career Technical Education (CTE) Programs appear in blue



6/30/2010



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